ENDING HOMELESSNESS IN LOS ANGELES

Inter-University Consortium Against Homelessness
January 30, 2007

A Research Report by
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With Daniel Warshawsky
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This Report accompanies a companion publication entitled A REALITY-BASED APPROACH TO ENDING HOMELESSNESS IN LOS ANGELES, which calls on everyone in the region to work together to end homelessness, and outlines a five-point action plan to achieve this goal.

The companion piece takes the form of a petition signed by 54 local academics and researchers into homelessness. This report provides the detailed evidence on which the petition is based.

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The Work of Great Cities
Great cities are places of opportunity. People arrive at, or remain in, big cities in order to make better lives for themselves. And typically they typically succeed, working in manufacturing, commerce, or government, to gain a comfortable life for themselves and their children. Others, perhaps less fortunate from the start, occasionally stumble on the path to achieving their dreams. In dire need, they often find succor and shelter – however modest – in the arms of the metropolis: from its charities, its benevolent citizenry, and its government.

Shouldering the responsibilities of the poor and the dependent is, in fact, part of the work that great cities have done throughout history. Today, however, Los Angeles has rejected this historic role. Our metropolitan region has avoided making fundamental changes in policies and programs that could end homelessness. Instead, politicians and policymakers seek to ‘solve’ homelessness via strategies of containment and confinement, exclusion and cleansing, and regulation and policing. The result is a constant churning of the poorest and most vulnerable, who shuffle from the streets to shelter, from shelter to jail or hospital, only to find themselves once again back on the streets.

This report is an investigation into the current crisis of homelessness in Los Angeles that began in the 1980s and is still with us today. It examines how we got into this mess in the first place, and why – over two decades later – homelessness remains a stain on the urban landscape and our municipal conscience. The report outlines a plan, including what we should and should not be doing, to end homelessness in Los Angeles.

Part 1: Anatomy of the Present Crisis

The Story of Skid Row
History shows that society’s response to poverty, mental illness, and the like has rarely been tolerant and understanding. For example, lunatics were cast outside the walls of cities in mediaeval Europe, and even transported by barge along rivers and canals (the so-called ‘ship of fools’). In later eras, mad people were confined in asylums, and poor people were obliged to labor in workhouses as a condition for aid. In the nineteenth century, paupers, idiots and lunatics were thought to have inherited these traits and were incurable. The New York City tramp in the 1870s was described as a “lazy, shiftless, incorrigible, cowardly, utterly depraved savage,” interested only in being “supported in his idleness.” And in 1894 the President of the Association of Medical Officers of American Institutions for the Idiotic and Feebleminded Persons regarded the mentally retarded as:

“Handicapped by the vices of their inheritance, ... not simply strong enough to keep up to the social, civic and moral ethics of the ages, and as an inevitable consequence, just as water seeks its level, they drop back by degrees to become in turn deficient, delinquent, defective, and dependent.”

It was commonplace in the towns of colonial America to encounter collections of adjacent buildings providing services for people in transit, in need, or just temporarily down on their luck. These services were usually located at or near the heart of the town, close to the original site of settlement or nearby transportation, in areas of low property and land values. Typically, they were run by philanthropic or religious institutions, though public monies and public agencies soon appeared to bolster their efforts.¹
Over time such areas attracted the attention of reformers, politicians and others who became alarmed by the deteriorated physical conditions of the inner-city areas and what they perceived as the moral disorder among its inhabitants. Thus, as soon as such districts appeared, so did appeals to eradicate them. Some motivations were well-intentioned, but others regarded removal of these areas as an opportunity for profit, particularly when properties were located next to expanding central business districts.

The name ‘Skid Row’ is a nineteenth-century coinage deriving from a street in Seattle along which felled logs were slid to the waterside for shipment. The so-called ‘Skid Road’ also hosted a collection of flop houses and transients, and over time it was this feature of the street that became identified with the name, soon corrupted to Skid Row. The term was subsequently applied to many inner-city districts across the country that already had a long history of helping those in need.

Skid Row, Los Angeles arose during the late 19th century. The first transcontinental rail locomotive arrived in Los Angeles in 1875, ushering in the modern industrial age and bringing with it a migratory labor force looking for work in factories and fields. In thirty short years, between 1870 and 1900, the city’s population quadrupled, from 5,782 to over 102,000. During this time, successive waves of migrants and immigrants came to LA for seasonal and temporary work, creating a huge demand for low-cost, short-term accommodation close to the railhead and the city. Around the ‘single-room occupancy’ (SRO) hotels that sprang up, services were established to cater to the transient workers, including bars, entertainment, as well as social service agencies affiliated with religious missions.

As the fortunes of Los Angeles and the nation waxed and waned, LA’s Skid Row became home to widely different populations. During the Great Depression, for instance, hobos, rail-riders, and down-and-outs often accumulated on the Row; and during the Second World War, it was temporary home to troops in transit to the fighting and workers in the arms industries. In the period of post-war prosperity, Skid Row became less a place for commercial hotel operations serving transient workers, and more a concentration of affordable rooms and social services for poor people, those on the edge of employability, substance abusers, and people with mental disabilities. This population was not new; it simply became more prominent as the districts around Skid Row were changing due to rapid suburbanization of jobs and people to outlying communities. The Row was also the location of the city’s day labor contractors, where unemployed residents could find temporary work in the region’s factories and businesses.

In the 1950s and 1960s, the districts around Skid Row began a radical transformation. Pressures for industrial and commercial growth escalated in the ‘Central City East’ district, which included Skid Row. Around the same time, the City of Los Angeles concluded that many of the SRO hotel buildings were seismically deficient or otherwise fell below building code standards, and ordered their upgrading or demolition. In less than a decade, the number of SRO hotel rooms in the district fell from 15,000 to 7,500. By the early 1970s, this shocking loss of affordable housing caused public agencies to take a closer look at Skid Row and its future. In 1975, the City of Los Angeles Community Redevelopment Agency’s Central Business District Redevelopment Plan adopted a policy to stabilize the Central City East district by:

- maintaining the low-income housing base (primarily through the acquisition, rehabilitation and management of the remaining SRO hotels);
- consolidating the Skid Row social services in close proximity to the population they served (subsequently referred to as a policy of ‘containment’); and
- expanding the district’s industrial base.
Then, during the early 1980s, a crisis of homelessness exploded across America, nowhere with more spectacular consequences than in Skid Row, Los Angeles. By 1984, LA was known as the ‘homeless capital’ of the United States. The city’s Community Redevelopment Agency (CRA) soon set up the Single Room Occupancy Housing Corporation to acquire, rehabilitate and manage the SRO hotels on the Row. Simultaneously, there was a massive expansion in the city’s inventory of emergency shelter beds, funded through a large influx of federal dollars. There was no equivalent growth in ancillary services needed by homeless people, such as permanent affordable housing, job training, or employment opportunities. Indeed, day labor offices offering employment to Skid Row residents closed, and moved to poor, immigrant neighborhoods as demand for temporary, low-wage workers rose and Los Angeles became the working poor as well as homeless capital of the nation.

In the early 1990s, the CRA commissioned a new Downtown Strategic Plan (DSP) which included the Skid Row area under its purview. The impetus for the DSP was in large part financial: the CRA’s ability to rely on tax increment financing to underwrite its activities had been curtailed by a County action that placed a cap on total expenditures by the CRA. (The County was unwilling to continue to forgo property tax revenues on downtown redevelopment projects that allowed the CRA to pursue its own objectives.) The CRA intended that the DSP would justify another round of downtown redevelopment, and thereby continue to provide a revenue stream for the city.

Part of the DSP addressed homelessness, recognizing that Skid Row had the highest concentration of shelters and services in the LA area, while most other cities in the region did little to help homeless individuals and families in their own communities. As a consequence, homeless people were obliged to leave their communities to seek help on Skid Row; others were dumped on Skid Row by hospitals and jails discharging people directly to the streets; or bused to there by communities who preferred not to deal with their own homeless residents. The DSP advocated maintaining Skid Row as a social service hub for the entire region, while taking steps to make the community safer and more livable. It also recognized the negative effects of concentrated poverty, and called for service-resistant cities to accept their ‘fair share’ of the responsibility of caring for their own residents, by creating small-scale local service hubs that could help homeless people and those on the verge of homelessness.

In a twist of fate, about this time Central City East (CCE) began enjoying its own economic renaissance, putting a new pressure on Skid Row. The food, toy, garment, and especially the wholesale electronics industries were flourishing, and many immigrant entrepreneurs started new businesses, all of which inflated land and property values in the district. The Alameda Corridor connecting downtown LA with the port area only added to the desirability of CCE’s inner-city industrial location. A strong opposition to Skid Row’s homeless population and social service network developed in the CCE business community. The Central City East Association (CCEA), in particular, regarded Skid Row as a threat to downtown’s economic prosperity. The Association was unmoved by arguments that Skid Row’s social service agencies were themselves an important engine in the downtown economy.

Ultimately, the DSP was adopted by the CRA, but its impact was muted because a new mayor (Richard Riordan) had different priorities, and downtown property markets weakened. However, the market began to revive in the late 1990s, when changes in land use, zoning, and building regulations made large-scale reuse of historic downtown structures feasible. This market boom continues to the present, extending throughout the CCE area and beyond. It has once again revived attacks on Skid Row as the primary obstacle to downtown profitability.
The Rise of Homelessness in the 1980s

Most people see homelessness as a personal tragedy affecting those who cannot afford the cost of renting or owning a home. But why, in the early 1980s, did so many Americans find themselves homeless? Why did the accumulation of personal tragedies reach epidemic proportions at the same time across the nation?

The answer to these questions is rooted in both large-scale economic and political forces, as well as increasing personal vulnerability. Four interrelated dynamics were at play: declining personal incomes, loss of affordable housing, deep cuts in welfare programs, and a growing number of people facing personal problems that left them at high risk of homelessness.8

Economy

Between 1950 and 1970, during a period of post-war prosperity, the gap between the incomes of rich and poor narrowed. But this trend was reversed in the 1970s, and became entrenched during the 80s in what economists describe the great ‘U-turn’.9 The national economy shifted from manufacturing to service industries, where wages were lower (a process known as ‘deindustrialization’). Over three-quarters of the new jobs created during the 1980s were at minimum-wage levels. By 1983, over 15 percent of Americans were living below the poverty line, even though half of them lived in households where at least one person worked.

In Los Angeles County, 75,000 manufacturing jobs were lost between 1978 and 1982. The motion picture industry shrank markedly in the early 1980s, and with the end of the Cold War, employment in defense-dependent industries plummeted (in 1990 alone, almost 20,000 defense-related jobs disappeared in southern California). At the same time, low-skill, low-wage jobs in nondurable manufacturing and services grew, stimulated by the declining power of labor unions and the increasing availability of low-skill immigrant labor. These shifts polarized the local wage distribution. In part because of these labor market dynamics, the poverty rate in Los Angeles County grew from 8 percent in 1969 to 14 percent by 1987.10

Housing

In the decade following 1973, 4.5 million units were removed from the nation’s housing stock, half of which was occupied by low-income households. In roughly the same period, over 1 million SRO units were lost, and the nation’s public housing program was all but abandoned. It was replaced by the ‘Section 8’ rent-subsidy program that increased the residential location choice of recipients but only modestly increased the stock of affordable housing. Federal authorizations for housing subsidies amounted to 7 percent of the total budget in 1978; but by the late 1980s this proportion had shrunk to 0.7 percent. At the same time, the rise in single-person households dramatically increased the demand for housing across the nation.

In Los Angeles and southern California the consequence of these wider trends was a housing affordability crisis of unprecedented proportions. The proportion of households able to afford a median-priced home fell, and between 1974 and 1985, the number of housing units in LA County renting for $300 per month or less fell by 42 percent in real terms. In addition, the share of the total housing stock that was affordable fell from 35 percent in 1974 to 16 percent over the following decade. The number of poor renter households grew by 43,000 but the number of units they could technically afford fell by 60,000. Virtually no new public housing units were constructed during the 1980s, and between 1970 and 1989 market-rate housing unit growth in LA lagged at half the national rate.11
**Welfare**

The Nixon era ushered in a restructuring of the welfare state that was continued by all subsequent Republican and Democratic administrations. Driven by ideological commitments to privatization and decentralizing welfare to states and localities, the erosion of public welfare took many forms, but two changes – both of which severely impacted Los Angeles – stand out in terms of the genesis of the 1980s crisis.

The first of these was ‘deinstitutionalization,’ a plan to empty the asylums treating and housing mentally disabled individuals, which was promoted by both civil libertarians and cost-conscious policy makers. In the two decades after 1950, the inmate population of national state and county psychiatric institutions fell from over 1 million to less than 100,000. California’s asylum population dropped from over half a million patients to just over 100,000. The plan was that deinstitutionalized people would be served by community mental health centers funded by the federal government, but these never materialized in sufficient numbers to address the need. The promise of deinstitutionalization remained unfulfilled. Many former patients ended up on the sidewalks of America, homeless and without care. Today, many of them are in county jails, where they have been joined by people who would have been institutionalized in previous eras. Indeed, the Los Angeles County Jail became the nation’s largest de facto mental hospital, a warehouse for mentally disabled inmates.

The second key event was the cut in welfare rolls. Nation-wide, between 1982 and 1985, federal programs targeted to the poor were reduced by $57 billion. Because of adjustments to the eligibility requirements, over half the working families on the federal Aid to Families with Dependent Children program (AFDC) were removed from the rolls. In addition, the value of the AFDC payment fell by 25 percent between 1979 and 1983. There was little comfort for families who sought help at the State level: many states had cut their General Assistance (GA) payments in half; some states did not even have such a program. The decline in AFDC and GA payments was a major reason why 20 percent of America’s children lived in poverty in the early 1990s, the same proportion as in 1965. In post-Proposition 13 California, welfare payments were effectively cut by repeatedly eliminating cost-of-living adjustments. Workfare programs were instituted that required recipients to work as a condition of ongoing eligibility. And in 1991, the State’s minimal AFDC Homeless Assistance Program was cut by 38 percent.

In Los Angeles, high unemployment in the late 1970s and early 1980s increased the welfare rolls, and drastic measures to curtail them were introduced. As a result of State actions, 38,000 recipients were dropped entirely, another 48,000 suffered benefit reductions, almost 8,000 lost food stamps, and about 12,000 AFDC families lost Medi-Cal coverage. Health and mental health funding was cut, along with funding for substance abuse treatment. Lawsuits forced the county to raise its General Assistance monthly payments (locally known as General Relief, or GR) from $228 in 1986 to $341 in 1991. However, this benefit payment was later slashed to $293 and has continued to decrease since then.

**Personal Vulnerabilities**

During the 1980s and 1990s, other factors worked to increase personal vulnerability and expose more people to the risk of homelessness. One was the explosion of crack cocaine usage that created an epidemic of drug abuse and addiction, and unraveled the lives of countless people who became caught up in the drug market either as users, suppliers, or distributors. In Los Angeles County, for example, there were 400,000 cocaine addicts and 200,000 other drug addicts in need of treatment by the late 1980s. An estimated 100,000 of them were homeless or poor. Later, other drugs such as methamphetamines became widespread and were no less destructive of human lives. While demand for treatment and
care of addicts skyrocketed, the number of public treatment slots fell in the county. By 1991 over 2,000 substance abusers were on waiting lists for the 5,200 available treatment slots.17

At this time, attitudes toward criminal justice turned away from rehabilitation to punishment. The rise of stricter sentencing and ‘three-strikes’ laws dramatically increased the number of incarcerated people. In California during the 1980s, the incarcerated population tripled at a time when the State’s population grew 30 percent. The trend in Los Angeles County was similar during the early 1980s but rapidly worsened later in the decade.18 Meanwhile, jailhouse programs designed to train ex-offenders and secure employment largely evaporated, and employer willingness to hire ex-offenders was reduced, as reflected in low hiring rates of former inmates.19 The result was a growing population of ex-offenders with little or no rehabilitation or job prospects.

Lastly, the rising cost of health care and rapid growth of the uninsured population meant that many people with medical problems had no recourse to affordable health care. By the early 1990s, 2.7 million people in Los Angeles County lacked health insurance. People often faced a choice between paying for health care or for housing, and as a result frequently found themselves homeless.20

A predictable crisis?
The decline in personal incomes and the squeeze on affordable housing, along with rising rates of personal vulnerability, created in America a broad class of precariously-housed families and individuals who were only a paycheck or two away from eviction. With diminishing prospects of help from cash-starved public welfare agencies, many people lived on the edge, knowing that one more personal setback would precipitate a crisis that could cause the descent into homelessness. Knowing what we know now, how could anyone have been surprised by the rise of homelessness in the US during the 1980’s? It was an entirely predictable crisis.

Why is Homelessness Still a Problem Today?
After more than two decades, homelessness remains a major issue in American society. Why should this be so, in the richest country in the world, with proud ideals of equality, opportunity and liberty for all? How is this happening at a time when cities across the country are building cultural facilities, entertainment zones, and upscale housing? How can we allow homelessness to continue when study after study has explained the causes of homelessness and outlined strategies that will eradicate it?

Simply stated, the three underlying forces that caused the homelessness in the 1980s have not gone away; rather they have intensified – both nationally and in Los Angeles.

In the economy, income polarization has intensified. After many years of tax policies favoring the affluent, mushrooming executive-compensation packages, booms in high-skill, high-wage sectors, and upward trends in the stock market, the rich have become super-rich. In contrast the working poor have become poorer. This situation is partly a function of continuing changes in the national economy, including the loss of better-paid manufacturing jobs, outsourcing of jobs, etc. But it is also linked to complex demographic shifts (including immigration) that have increased the supply of low-skilled labor; the lack of adequate education and training for native-born high-school leavers facing today’s job market; and industry-inspired shifts in hiring practices designed to avoid unionized workers. And what are the consequences of these trends nation-wide? Between 2003-2004 alone, the real average income for the top 1 percent of households – those making more than $315,000 in 2004 – grew by nearly 17 percent. At the same time, the wages of those at the bottom of the income distribution stagnated: the value of
the national minimum wage today is 30 percent lower than it was in 1979; and its buying power is at a 51-year low.

In California, the minimum wage grew 309 percent between 1968 and 2002, but the cost of living rose 418 percent, resulting in a 35 percent loss of spending power for minimum-wage workers. Despite relatively low State unemployment rates, most jobs open to those without a bachelor’s degree offered low-wages. In 2002, for example, wages ranged between $15,181 (for waiters) and $25,519 (for general office clerks).21 The income distribution has become more polarized in Los Angeles, and people are poorer compared with the rest of California. Considering the business cycle peak periods 1988-90, 1998-2000, and 2002-04, household incomes of those in lowest 10 percent of the income distribution in Southern California declined from $11,977 in 2004 dollars to $10,394, while those in the top 10 percent increased from $125,471 to $128,085.22 Using 150% the poverty rate as a measure,23 almost 40 percent of Angelenos had incomes below the poverty rate in 2004, compared to 30 percent in the rest of the State. Low income workers were also less likely to have health insurance or pension benefits.24 Under these circumstances, it should come as no surprise that people with jobs still became homeless. An estimated 16 percent of LA’s homeless adults work.25 In a late 1990s survey of homeless people in downtown LA, over three-quarters reported that in the two years before they became homeless, they had held jobs that lasted longer than one year; over half had held jobs of more than two years’ duration; and nearly one-third had jobs lasting longer than five years.26

In the housing markets of most major cities, property prices continue to escalate rapidly, making housing no more affordable than it was in the mid-1980s. The number of affordable rental units declined dramatically, and the share of rentals affordable at the median income of renters in the bottom fifth of the household income distribution declined from 15 percent in 1980 to 7 percent in 2000. Thus the number of poor, severely rent-burdened households grew, along with the ‘housing vulnerable’ population, which expanded to include middle class homeowners with balloon mortgages, working class homeowners with nontraditional loans, and poor mortgage-burdened homeowners.

According to 2000 census data, 23 percent of renter households in the City of Los Angeles were paying more than half of their income for housing. Compared to other major metropolitan areas, Los Angeles (along with New York City and Miami) had the largest proportion of severely-burdened households in 2003.27 At that time, the hourly wage required to be able to afford an average rental unit in the city was $32.28 Across the region, construction of affordable housing units lagged far behind need; recent assessments for LA County suggest that 55,000 new affordable units are required to address the shortfall in affordable units.29 Not surprisingly, the rate of severe crowding (a standard measure of housing market stress) climbed dramatically over the 1990s, as high costs forced many households to double up.30

The welfare state in 1996 got a major overhaul under the Clinton administration. This devolved responsibility for poor people to states and localities, and helped shrink the number of people receiving welfare program benefits (particularly AFDC/TANF, SSI, foods stamps) by 60 percent.31 Most of the reduction in family welfare aid (now termed TANF, or Temporary Assistance for Needy Families) has been attributed to an improved job market, but many who had jobs remain extremely poor and vulnerable to personal crisis.32 They have managed to stay off the streets only because of help from the Earned Income Tax Credit (EITC). Work preparedness programs, such as CalWORKs, shifted toward a ‘jobs first’ strategy, and downplayed the importance of education and training for long-term self-sufficiency or for ensuring that many of those who found work remained welfare-eligible. Furthermore, many people simply avoided welfare
programs because of the new 5-year lifetime limit on receiving benefits, preferring to defer their eligibility in case of some future personal crisis.

The nation-wide consequences of this radical restructuring of welfare are still being assessed, but early indicators of positive outcomes are now being replaced by a growing pessimism. Although the percentage of Americans living in poverty declined between 1996 and 2000, the number has since increased again to 1998 levels. More ominously, since welfare reform was legislated in 1996, more than a million people have been added to the numbers living in deep poverty (defined as having incomes less than half the poverty level).\textsuperscript{33} Over the next five years, $39 billion will be sliced from domestic programs like Medicaid and food stamps, and $99.3 billion is expected to be cut from 2006 to 2015.

In Los Angeles County, welfare rolls declined but poverty did not go away. Those who were mandated to transition from welfare to work remained poor and had limited access to the education and training needed to improve their job earnings. A devastating 2003 portrait of the employment outcomes for over 1 million participants in the county’s welfare-to-work program over a 10-year period revealed the following:

\begin{itemize}
  \item over three-quarters of TANF parents who went back to work had earnings below the poverty line;
  \item more than a third had barriers to work that made it unlikely that they would be able to earn a living wage; and
  \item among those approaching the 5-year eligibility limit, almost two-thirds had major barriers to employment.\textsuperscript{34}
\end{itemize}

This program almost seems designed to place people at greater risk of homelessness; while this may not have been the intent, it surely is an outcome. At the same time, in other parts of the system, local policy-makers ‘creatively’ restructured LA’s General Relief (GR) program to make life harder for the eligible population in need: reducing benefits, stepping up sanctions, requiring participation in workfare programs, and restricting benefits to 9 months per year for ‘employable’ recipients.

\textbf{Business as usual, only worse?}

Twenty-five years later, homelessness is still with us. This should come as no surprise: the economy is even tougher on poor people; affordable housing is now an impossible dream; and the social welfare safety net is threadbare.

Despite this intensifying hardship, other factors make the situation today different – and worse – from that of the past. Work requirements and lifetime time-limits on eligibility for welfare benefits have created the looming prospect of a growing population of extremely poor people without employment prospects, no longer eligible for federal assistance. And because of the devolution of major responsibilities for welfare from the federal level to lower tiers of government, state and local governments have become increasingly stressed. Major cities especially face a challenge. On the one hand, economic globalization forces them to compete ever more directly with each other for foreign investment, jobs, and tourists, heightening the perceived need to offer attractive, clean and safe downtown areas along with signature museums, concert halls, and civic spaces. On the other, the devolution of responsibility for managing extreme poverty leaves them holding the bag, with the prospect of placing major burdens on local fiscal capacity and compromising their ability to compete globally.
Perhaps as important is the rise of a nation-wide politics that embraces the rhetoric of ‘compassionate conservatism’ while starving government programs to aid the needy and promoting privatization. The privatization ethos is based on a vision of society in which individual rights trump collective responsibilities. This ideology validates the rampant NIMBY (Not in My Back Yard) behavior that persists in cities and neighborhoods, insuring that a majority of communities remain without services to assist the homeless, encouraging the dumping of homeless people on the nation’s skid row districts by communities, hospitals, and jails. This ethos is echoed in the anti-homeless rhetoric of business interests and promoters of gentrification that demands removal of homeless people; encourages police campaigns to ‘clean up’ the sidewalks; and threatens to abandon Skid Row’s historic role of sheltering the poor that has long been a foundation of communal life in our great cities.

**The Human Face of Skid Row’s Homeless Residents**

**Demographics**

On a typical day Skid Row is home to roughly 4,000 homeless residents, half with a shelter bed and half on sidewalks or in encampments. This figure represents only about 5 percent of the county’s homeless population, but Skid Row is the largest single concentration of homeless people in the region. Four out of five homeless Skid Row residents are men. Half are younger than 45 years old with many potentially productive years ahead of them. There are relatively few families and children on the Row. The Los Angeles Homeless Services Authority’s (LAHSA) 2005 Homeless Count enumerated only 107 homeless persons living in families, although other reports suggest a higher figure. Additional families with children are living in hotels and other units around Skid Row.

The complexion of Skid Row is shaded by the consequences of racism. Racial injustice in labor and housing markets has made some populations more vulnerable to joblessness and housing distress.

- African Americans are over-represented in homelessness statistics by a factor of 7, making up two out of three homeless Skid Row residents (or 69 percent of the homeless population).
- Native Americans are also over-represented by a factor of 2 (amounting to 1 percent of the homeless).
- Latinos are under-represented by a factor of 2 (20 percent of the homeless).
- European Americans are under-represented by a factor of 4 (8 percent of the homeless).
- And Asian Americans are under-represented by a factor of 7 (2 percent of the homeless).

Immigrants are somewhat less vulnerable than the general population but they nevertheless form a sizable proportion of the homeless population. Between 14 and 21 percent of homeless people on Skid Row are foreign born (compared to a county-wide rate of 29 percent). First-generation immigrants are underrepresented among the homeless, which may be expected given the higher rates of crowding among many immigrant groups, particularly Latinos.

**Poverty and work**

Work and wages are the most straightforward paths out of poverty, but getting either is a formidable challenge for many homeless individuals. Moreover, day labor agencies that once were commonplace in Skid Row have closed, making casual employment opportunities harder to come by. Eight percent homeless Skid Row residents were working when they entered an emergency shelter and 18 percent reported becoming homeless after losing their job. This indicates that at least a quarter of Skid Row’s homeless residents have work histories immediately prior to becoming homeless.
A defining characteristic of homelessness is poverty. Twenty-nine percent of homeless Skid Row residents report having no income whatsoever, and another thirty-nine percent received under $250 a month. This is less than one-third of the poverty threshold for a single person.

Many homeless Skid Row residents have skills and knowledge that should make it possible for them to get jobs. The share of Skid Row homeless with limited education is similar to that of the county as a whole, and while fewer have post-secondary education, more have completed twelfth grade or obtained a GED.

**Immediate causes of homelessness**

The calamities that Skid Row residents identify as the precipitating cause of homelessness fall into three broad categories: loss of material resources, loss of family and social connections, and loss of health. Over half of the 1,000 homeless individuals admitted to the LAHSA’s two emergency shelter programs in 2005-2006 mentioned that loss of crucial material resources plunged them into homelessness. Most often it was the loss of their dwelling because, for example, they could not pay the rent or were evicted (22 percent). People also report that losing their job plunged them into homelessness (18 percent), or because they lost their source of income, including welfare benefits (12 percent).

The loss of family and social connections usually occurs when people are asked to leave a home; they may have doubled up with relatives, or they became victims of domestic violence (14 percent). Other dislocations occur following release from prison, or from an inability to obtain shelter (7 percent).

Loss of health through sickness or injury is also a frequently-reported cause of homelessness (12 percent). This is followed by problems with drugs or alcohol (8 percent).

Almost half (46 percent) of homeless Skid Row residents have been dependent on alcohol or drugs within the past six months, and two-thirds (67 percent) were substance-dependent at some point in their lives. Individuals with histories of substance dependence are substantially more likely to have experienced violence or abuse in their household, and to have been in an institution or an out-of-home placement before the age of 18. They are more likely to have experienced institutional care, physical or mental health problems, and substance abuse before their first episode of homelessness. And they are likely to have become homeless at a younger age, to have longer episodes of homelessness, and to have more episodes of homelessness.

Thirty-seven percent of Skid Row’s homeless residents report that they are disabled. This is double the disability rate reported by LA residents as a whole. The most frequently reported disability is mental, reported by a quarter to a third of homeless residents. This prevalence rate is similar to the overall County homeless population (35 percent), but nine times higher than that of the general population.

Current prevalence rates of substance abuse among Skid Row residents are not available. But the LAHSA 2005 Homeless Count reported that in SPA4, where Skid Row is located, 43 percent of homeless people had substance abuse disorders. The Course of Homelessness Study of the early 1990s found that for a random probability sample of over 700 Skid Row homeless adults, 53 percent had experienced substance abuse dependence within the last 6 months, with a lifetime rate of 72 percent. Rates of drug dependence (both recent and lifetime) were somewhat higher than alcohol dependency. The study revealed that 17 percent of the sample experienced chronic mental disability, 69 percent had chronic substance-dependency problems, and 14 percent having both.
Length of time homeless
Once a person becomes homeless, the length of time without shelter can vary widely, whether
it is a first experience of homelessness or one more time in the cycle of chronic homelessness.
Among those entering Skid Row’s two emergency shelters in 2005 and 2006:

- 25 percent had been homeless less than a month;
- 31 percent for one to six months;
- 11 percent for seven to twelve months; and
- 33 percent for more than a year.54

Many shelter users regard renting a room in a Skid Row hotel, or receiving temporary shelter
from a service provider, as being housed. These responses highlight the difficulties in defining
what it means to be homeless and what it means to be housed. The comparatively short stints of
reported homelessness, with two-thirds reporting experiences of less than a year, reflect the fact
that some homeless people can succeed in pulling their lives together and exiting homelessness.
On the other hand, the path into recurrent homelessness is sometimes via the exit door of the
last service provider, in which long-term homelessness is camouflaged by successive cycles of
inadequate short-term help.

Institutional connection and origins
Institutions that provide services for homeless people are important points of connection for
ending and preventing homelessness. The services utilized by people who become homeless
tell an important story not only about the variety of needs that have to be addressed to help the
homeless, but also about the ‘upstream’ sources of the homeless population. In LA county and
on Skid Row:

- 217,000 public assistance recipients experience homelessness during the course of a year.
  This includes 85 percent of all homeless residents.55
- 30,000 veterans experience homelessness in the course of a year. Ten percent of homeless
  Skid Row residents are veterans – a higher percent than in LA County as a whole.56
- 20,000 people released from jail or prison become homeless in the course of a year. Most are
  discharged from incarceration at locations immediately adjacent to Skid Row.57
- 8,500 homeless substance abuse patients are treated by the county’s drug and alcohol
  program in the course of a year.58
- 8,400 homeless mental health patients are served by the county Mental Health Department in
  the course of a year.59
- 1,079 homeless residents are admitted annually to the three downtown hospitals that ring Skid
  Row. These residents spent a total of 11,406 days in the hospital at a cost of $39,316,508.60

Migration from other communities
Virtually no-one living on Skid Row was born there. We do not have a good understanding
of the flow of residents into and out of homelessness in Skid Row, but anecdotal evidence
suggests that a major share of the population originates in south Los Angeles. There, shelter/
service resources are minimal, and unemployment rates are high among adult men, particularly
African-Americans who are disproportionately represented in the Skid Row population.
Moreover, evidence about movement into and out of homelessness indicates that there is
considerable displacement and ‘churning’ of the homeless population. Many people have
recurrent experiences of being uprooted and dispossessed as their luck changes and they
find themselves back on the street again and again, in a cycle called ‘chronic’ homelessness.
Part 2: Public Policy Toward Homelessness

Where Are We Now?
Both official policy and public attitudes toward homeless people in Los Angeles have long been a mixture of compassion and hostility. The aim of compassionate policy has been to help homeless people become ex-homeless people. The aim of punitive policy is two-fold: one is an aggressive push to move people from one place to another, making the homeless (if not homelessness itself) appear to disappear from certain neighborhoods; the second is more passive-aggressive – spending no effort or money to help homeless people, in a ‘policy’ of malign neglect.

On the compassion side, the initial policy response of providing emergency shelter beds was well-intentioned and necessary. However, in LA at least, it was not followed up with supportive housing, job training, and other necessary services at a scale sufficient to end the crisis. This lack of attention to other services that provide pathways out of homelessness continues to this day. One reason for this situation is that the ‘social service industrial complex’ (the diverse public, non-profit, and private agencies that arose to deal with the homeless crisis of the 1980’s) remains largely invested in short-term solutions. Thus the talk may be of supportive housing and jobs but the real action remains focused on emergency shelters. Emblematic of this bias is a recent motion before the City Council which speaks volumes about the emergency-shelter mentality in City policy:

“The Police Department must have the necessary resources in order to implement the safer cities initiative [i.e. the police effort to remove the homeless] in Skid Row. This means we need to have the funding necessary to immediately open additional shelter space in the City of Los Angeles. We need 500 beds.”

The punitive side of policy is predicated on police actions to remove the homeless, especially from Skid Row. It is based on assertions about ‘shelter resistant’ homeless people who (it is claimed) refuse to take up available emergency beds in the neighborhood, and who therefore can legitimately be subjected to local ordinances prohibiting sleeping on sidewalks or elsewhere. Such claims about excess shelter capacity in Skid Row have been shown to be false. Efforts to clean up the sidewalks through police action are primarily intended to satisfy neighbors and businesses offended by homeless people. Some of their complaints may be legitimate (e.g. against drug-dealing on the streets), but punitive police actions contribute nothing to ending homelessness. They rest solely on the false premise that police officers can force homeless people into shelter opportunities that simply do not exist. Policing can at best succeed only in temporarily moving some homeless people from one area to another.

Another important element in current debates about homelessness is fiscal capacity. In post-Proposition 13 California, local governments face ongoing fiscal austerity, as well as unfunded mandates and state-dictated spending priorities that have not included ending homelessness. To date, expenditures on homeless services by the City and County of Los Angeles have been unimpressive in comparison to other major US cities. Apart from a few notable exceptions, most municipalities spend nothing, neglect the issue and the people involved, and use Skid Row as their solution to homelessness.

The policy landscape in LA is very much affected by the geographical concentration of visible homeless people on Skid Row and the racialization of the response. Although Skid Row’s character is largely the result of institutional practices and of inactions by non-contributing communities, policy discussions rarely touch on the fact that many Skid Row homeless come from South Los Angeles. These neighborhoods are known for their notoriously bad high school
completion rates, high rates of incarceration, and limited employment options. They also offer limited shelter beds or services to help the desperately poor. Also obvious (but rarely mentioned) is the fact that the overwhelming majority of the visibly homeless, particularly in Skid Row, are people of color, especially African American men. How long would current policies persist if the homeless residents of Skid Row were Anglo refugees from a natural disaster rather than non-Anglo refugees from multiple social disasters?

How Did We Get to This Public Policy Impasse?
The homelessness crisis exploded into public consciousness in 1984. To be sure, LA policymakers had been aware of and dealing with issues of extreme poverty and loss of affordable housing before that date. For instance, as noted earlier, in the 1970’s a formal containment policy sought to confine services for homeless individuals to Skid Row, conferring official status Skid Row’s existence and function.

By 1983, as the numbers of homeless people grew across Los Angeles County, community residents responded directly by forming aid coalitions, often housed initially at the United Way. Policymakers lagged behind. The first mention of the word "homeless" in any City Council file was contained in a motion by Councilman Ermani Bernardi in December, 1984, requesting an investigation into the “steps can be taken by the City – in conjunction with the county – to alleviate the plight of homeless people.” Later that same month, a ‘Homeless Organizing Team’ of advocates erected a tent city across the street from City Hall and the Los Angeles Times building. The sight of hundreds of homeless people sheltering on the muddy ground in a large unheated tent, during the holiday season, drew widespread expressions of public concern.

The initial responses of City officials were positive. In January, 1985, Bill Robertson, the head of the County Federation of Labor, persuaded City zoning and building regulators to permit the construction, using volunteer union labor, of a 138-bed shelter at ‘Thieves’ Corner’ at 5th Street and San Julian. Then, in 1986, the City responded to incipient NIMBYism by enacting a rare ‘zoning by right’ ordinance for shelters up to 30 beds. Under California law, the City and its Community Redevelopment Agency have certain responsibilities regarding the construction and preservation of housing, but it is the County of Los Angeles that has some obligation to provide for the needs of the poor, including housing, food, health care, clothing, and transportation. This legal allocation of obligation to the County can be used by the City as an excuse to do nothing.

Some groups (later including the City of LA) sought to hold the County to its obligations under California law. After a series of cases, civil rights and poverty lawyers succeeded in dismantling mechanisms used by the County to limit the number of homeless and destitute people on its GR program. When the County erected new barriers to homeless aid recipients, the City joined the civil rights and poverty lawyers in suing the County to cease imposing arbitrary bureaucratic barriers to deny benefits to homeless indigent people. Following a political shift on the Board of Supervisors (occasioned by a redistricting case), the City-County litigation was settled in 1991, as well as another class action (Mendly v. Board) challenging the amount provided to General Relief recipients. The settlements resulted in raising the GR grant from $228 to $346 per month, and reducing the bureaucratic barriers to obtaining relief.

At the same time as the County was negotiating this settlement, its lobbyists were already at work in Sacramento crafting a bill that would void the settlement of the grant amount and limit County obligation to provide for the poor. Today, the GR grant is $221, precisely the same as it was a quarter-century ago, in 1981. Back then, a GR recipient could obtain a room for four weeks with a General Relief grant. In today’s dollars, the 1981 grant would be worth about $490 – far
too low to avoid poverty but more than twice the actual current payment of $221. This entire grant is almost enough to pay for one week in the worst housing available in the City.

In the post-reform period, on a regular monthly basis a large number of GR recipients were sanctioned for rule-breaking and removed from the rolls. In October 2006, the County’s GR caseload was 57,984 cases, involving 58,444 people who received a total of $11.54 million. The comparable 1997 caseload was 84,946 cases, and in 1993, 102,495 cases.68 Ironically, the very restrictiveness of the current GR program means that the County could increase the grant, in theory at least, to $500 dollars per month (roughly its 1981 level) and still incur total expenditures no greater than 10-15 years ago.

Another consequence of the settlement of the City-County litigation was the creation of the Los Angeles Homeless Services Authority, or LAHSA. This was approved in concept by the City Council in 199169 but not established and funded until 1993, with only $250,000 of additional funds each from City and County. LAHSA has gone through serious administrative and other challenges, but it has never been provided with significant funding by either the City or the County. Instead, it has principally operated as a pass-through organization for limited state or federal funds. However, LAHSA continues to be the sole public institution charged with responding to homelessness in Los Angeles, and serves as a civic space where policy discussions can occur.

**Current Policy Initiatives**

In January 2002, under Bush administration directives to develop local 10-year plans to end homelessness, LAHSA and the LA Coalition to End Hunger and Homelessness launched an effort to develop a plan to end homelessness in Los Angeles County. A Blue Ribbon Panel of Citizens was formed to oversee the project for LAHSA and the Coalition. The draft plan was completed in June, 2004, but it was not released until 2006. The 117-page Bring LA Home (BLAH) plan fell victim to service-provider, business-sector, and public-agency politics. Although it had much to recommend it, the final document included over 200 specific recommendations but no consensus around a strategy for action. The plan estimated the 10-year costs of implementation at upwards of $10 billion. Nothing on such a scale was seriously proposed in the wake of BLAH’s release.

At about the same time as Bring LA Home was published, the County Board of Supervisors approved its own ‘County Homeless Prevention Initiative’ and allocated a one-time $80 million to fund its range of initiatives. These included: (1) five Stabilization Centers to be “used by law enforcement as an alternative to arresting homeless individuals that [sic] have committed minor offenses,” for released inmates, and for persons discharged from County hospitals; and (2) a Homeless Family Access Center (HFAC) to work with families to help them avoid going to Skid Row to meet their needs. The Stabilization Centers are planned to have 40 beds each. The HFAC will provide child care for homeless families while the parents work with representatives of existing County programs to obtain the means to survive off the streets. There is no additional funding for families found to be ineligible for existing services, the loss of which is itself a precipitating cause of homelessness. The County also proposed a temporary housing subsidy of up to $300 per month for 900 of the 60,000 GR participants.

Neither the County nor the City of Los Angeles has embraced the Bring LA Home plan. Moreover, the plan failed to pass muster with the US Department of Housing and Urban Development (HUD) which had coupled continued provision of federal homeless services funding to the production of an acceptable analysis and plan to end homelessness in 10 years.70 Thus LAHSA embarked on another effort to develop another plan, this time with an initial focus only on Skid Row. Drafts of this plan have been circulated, but public release of the plan has been delayed as stakeholders quarrel
over specifics. There is at present no indication that the City of Los Angeles plans any significant increase in funds to address homelessness in the City.

The City of LA has, however, allocated $100 million over the next two years from its Housing Trust for permanent supportive housing, and a further $129 million in Section 8 vouchers for homeless individuals and families from the city’s Housing Authority. In his fiscal 2008 budget, Mayor Villaraigosa proposed $1.5 million new general fund resources for homelessness, which the county has pledged to match if this item is approved by city council. City staff also earmarked an additional $4.6 million for shelter and outreach in support of the Safer City Initiative.

New efforts by the State of California are also likely to help. Housing programs from Proposition 63 will help homeless mentally disabled people, and the State’s housing and emergency shelter trust fund (Proposition 1C, a bond measure passed by voters in November 2006) will modestly augment the affordable housing stock. Much of the resulting housing, however, will remain out of the reach of extremely poor and homeless people with little or no steady income.

It is too early to say how effective these policies will be, but they are unlikely to end homelessness. Most cities that have made significant progress in this direction (albeit with far fewer homeless people) have devised a dedicated revenue stream to fund both prevention and supportive housing programs. This is something that Los Angeles jurisdictions have yet to accomplish. Moreover, in major metro areas that lack consolidated city-county governments (e.g. Los Angeles, but not San Francisco or New York), progress on homelessness has occurred only when aggressive efforts have been made to coordinate income maintenance, human services and affordable housing programs. Such coordination is largely absent from City-County functions in Los Angeles.

**New Fights Over Skid Row**

Over the past couple of years, Skid Row has once again become a lightning rod for debates about homelessness in Los Angeles. This is because the flames of community opposition have been rekindled by efforts to promote gentrification and to ‘clean up’ crime in the district.

Since January 2004, there have been 162 stories about Skid Row in the Los Angeles Times. Most prominent among these have been columns by Steve Lopez, and a multipart series by Cara Mia DiMassa and Richard Winton in 2005. This coverage was instrumental in bringing homelessness once again to public attention. Extensive and graphically-illustrated coverage of police actions in Skid Row were the mainstay of coverage, particularly in light of the highly-publicized arrival of the new LAPD chief Bratton from New York City. Legal battles also attracted media attention, most notably in 2006 when homeless people sued (not for the first time) to prevent arrest and confiscation of their possessions from the sidewalks of Skid Row. The 9th Circuit Court of Appeal held, in the Jones decision, that the City could not forbid sitting on a sidewalk everywhere and at all times so long as there were tens of thousands of homeless people for whom there was no indoor shelter. The Los Angeles Times editorialized against this decision, but the Mayor and the ACLU forged a settlement with the LAPD that would have allowed enforcement of the law everywhere except in the 50 square-block Skid Row area. However, the LA City Council refused to endorse this agreement.

Pressure on Skid Row is also being felt once again from downtown business interests. During the DSP era in the early 1990s, the clarion-call for cleaning up Skid Row was led by the Central City East Association (CCEA), representing Skid Row and Skid Row-adjacent businesses such as toy distributors, flower wholesalers, electronics outlets, and cold storage facilities. More recently, however, a more broadly-based downtown LA land and property market boom has engaged the
attention of the Central City Association (CCA). CCA's efforts are underwritten by major development and financial interests in pursuit of large-scale residential, commercial, and entertainment-retail projects in the downtown area. The downtown revival is apparently hindered because traditional sources of finance capital regard Skid Row as a threat to profitability, and further investment is being stalled unless and until Skid Row homelessness and crime are cleaned up.

The tensions between compassion and profit seem more starkly drawn today than in the recent past, so let us be clear about what is being discussed when tempers rise over the future of Skid Row.

- Skid Row is the most important single hub for social services aiding the homeless in the region. The Shelter Partnership directory identified about 3,300 beds in Skid Row for adults and families (including beds restricted to the mentally disabled, substance abusers, dually diagnosed, and people with HIV/AIDS). On any given night the number of beds actually available is generally lower, because shelter managers may decline to use their entire inventory (for instance, because of lack of funds for staffing, or because some beds are reserved for use by the LAPD). One recent estimate indicated that 2,426 beds were actually available during a two-week period in October 2006.71
- These Skid Row bed estimates compare to 10,062 beds in the City of LA, and 17,055 beds in the entire county. Skid Row thus has 33 percent of the available city beds, and 19 percent of the county’s. The Metro Service Planning Area (SPA 4), which contains Skid Row, maintains 7,848 shelter beds, 78 percent of the City’s total – thousands more beds than any other single service area in the county. Most of the facilities outside Skid Row are smaller, less concentrated and of limited capacity. For example, in the South LA service planning area (SPA 6), one of 8 such service planning areas in the county, there are only 1,459 shelter beds.
- Nevertheless, despite the concentration of shelter and services in Skid Row, the proportion of the County’s homelessness population living in Skid Row area has dropped to just under 5 percent, largely because of the development of shelter and service opportunities beyond downtown LA during the 1990s (especially in Santa Monica/Venice, Pasadena/Glendale, Hollywood/West Hollywood, and Van Nuys/Burbank).
- Although Skid Row invokes an image of a chronic homeless population with severe problems of addiction and mental disability, or very difficult to house and ‘service-resistant,’ its residents may not be much different from other homeless people living in the Los Angeles region. Indeed, LAHSA’s 2005 Homeless Count found that the Metro Service Planning Area (SPA4), in which Skid Row is located, has a rate of chronic homelessness similar to the county as a whole.

As these figures suggest, shelter and services are geographically concentrated in Skid Row (partly as a result of earlier public policy decisions), and attract large numbers of clients into a small zone. Even though they represent a small share of the county’s total homeless population, this gathering of people is highly visible on the sidewalks that border the more upscale streets of downtown Los Angeles. And because of the sheer numbers of homeless people and their predominantly African-American composition, the encampments they build, and the sometimes intrusive and threatening behavior associated with legal and illegal drug use and transaction, Skid Row – now close to the leading edge of gentrification – has become a high-profile target.

But it is important to recognize that the concentration that characterizes Skid Row also has positive dimensions. Homeless people as well as social service agencies that work with hospital patients, mental health clients, and jail inmates know that the largest concentration of shelter and services, especially for single adults, is in Skid Row. Moreover, they are all within walking distance of each other, which allows people to ‘make the rounds’ to check on availabilities, and
makes referrals easier. The probability of actually getting help somewhere on Skid Row is much higher than other more isolated service offerings elsewhere in the region. In short, geographically proximity is advantageous to providers and consumers alike.

So, efforts to eradicate Skid Row in favor of redevelopment and gentrification are potentially counterproductive. Closing social service agencies there would threaten the very survival prospects of many homeless people, and is a deeply unethical course of action. It would also damage that part of the local economy that is supported by social service activities. Shifting thousands of people to communities with few homeless services would result in overburdened agencies, larger numbers of unsheltered homeless people, and a proliferation of encampments, undoubtedly followed by a political backlash. Instead of abandoning Skid Row, we need an action plan designed to develop additional affordable housing and service capacity throughout the Los Angeles region. In so doing, we can radically improve the quality of life in Skid Row and its residents.

**Part 3: An Action Plan**

**Summary**

Great cities have always done the work of caring for their citizens in need. For more than a century, downtown LA’s Skid Row has served this purpose as the place to go when you were down on your luck. In 1975, the City of LA adopted an official policy to stabilize Skid Row and maintain its affordable housing stock.

In the 1980s, an epidemic of homelessness was caused by a decline in personal incomes, loss of affordable housing, deep cuts in welfare programs, and a growing number of people whose personal circumstances placed them at risk of homelessness. Los Angeles was nicknamed the ‘homeless capital’ of the United States, because it had more homeless people than any other city. It still holds this dubious distinction.

More than two decades after the crisis appeared, homelessness has not been eradicated in the nation or Los Angeles. The present-day economy is even tougher on poor people; affordable housing is an impossible dream; and the social welfare safety net is threadbare. A conservative ethos denies the utility of government intervention and starves social programs of operating funds. This same ethos favors individual rights over communal responsibilities, and finds odious expression in the rampant NIMBYism that besets so many communities.

The demographic composition of the homeless population has not altered much during the course of the crisis. Street-dwellers are still overwhelmingly poor, male, and minorities. They suffer disproportionately from physical and mental disabilities, and there are high rates of substance abuse. Many among the homeless are veterans. The ability of homeless people to survive and get off the streets largely depends upon their being able to access appropriate helping agencies. Many travel to Skid Row, the region’s largest concentration of service agencies, in order to obtain assistance because their own communities have no services to help them.

The public policy response to homelessness in Los Angeles has overwhelmingly been directed toward the provision of emergency shelter beds. Although we know that the pathway out of homelessness also requires provision of supportive housing, permanent affordable housing, appropriate treatment services and effective coordination of referrals and case-loads, such services have not been provided at anything like the levels needed to meet the demand.
Moreover, certain local policies have actually exacerbated the problem, including especially cutbacks in county GR payments and restrictive eligibility requirements. The majority of county municipalities allocate no money to homeless services; consequently, the LA area suffers from an acutely uneven geographical distribution of service opportunities for the homeless. When residents become homeless in these non-contributing municipalities, they are obliged to travel elsewhere in the region for shelter or services.

One of the major destinations for homeless people is downtown LA’s Skid Row, the region’s largest concentration of homeless people and services designed to assist them. Skid Row has become a lightning rod for public debate over homelessness because of pressures from downtown business communities to eradicate it and thereby allow for redevelopment and gentrification. The destruction of Skid Row is morally, economically and politically indefensible. So what is to be done?

**A Five-Point Action Plan for Ending Homelessness in LA**

Even if everyone currently living in Skid Row were to be housed tomorrow, the day after tomorrow there would be another group of homeless people there to take their place. This is because we have done so little to stop the production of homelessness, or to stop the dumping of homeless people by other communities and institutions into Skid Row. Cities and counties in the U.S. have been left to contend with the consequences of a massive devolution of responsibilities, privatization, and retrenchment of the social safety net. The current homeless care system amounts to a massive exercise in shuffling people around the city, as if they were pawns on a chessboard, in a game without end. After being rousted from Skid Row, people with nowhere to go simply return to Skid Row or end up in jail, temporary shelters, voucher motels, or hospitals. They may find their way to communities where they may be tolerated for a short while but soon ‘moved along’ to somewhere else. In short, those who are displaced from Skid Row, or some other place, will not disappear but instead emerge elsewhere in the metropolis.

The bottom line is that without tackling the basic reasons for homelessness – housing affordability, lack of living wage jobs, medical uninsurance, inadequate drug treatment services, failure of educational and foster care systems, and incarceration without rehabilitation – we will never fully eliminate homelessness in LA. Ultimately, what must grow out of a new dialogue about Skid Row is nothing short of a new vision of hope about ending homelessness in Los Angeles: a vision that reaffirms the role of the city and county acting together to provide shelter and sustenance for the poor and displaced; and that imagines Skid Row as diverse and functional community rather than a place of desperation, deviance and danger.

Our goals must aim to stop the manufacture of homelessness; close off the flow of homeless people to the streets of Skid Row; and assist those already homeless to get off the streets permanently. Until these goals are achieved, the existing supply of shelter beds in Skid Row must be preserved and maintained and nothing should be done that threatens the remaining stock of affordable housing for the extremely poor in Skid Row or anywhere else in LA.

To reach these goals, we offer a 5-point plan:

1. **Create economic opportunities for homeless people. Help homeless people help themselves by generating jobs for them.**

   Work is the surest way out of poverty, so a share of public-sector jobs – tree planting, highway construction, for example – should be set aside for the homeless who are able to work. Such a
program could be paid for with some of the infrastructure bond money approved in November by California voters.

In addition, public agencies devoted to job creation, such as Work Investment Boards or WIBs, must become much more active in providing job training and work opportunities for homeless residents, particularly since the legislation authorizing WIB programs allows for the support of programs targeted to homeless people. A 2003 survey of six local WIBS found that only $202,956 annually was allocated to employment services for homeless residents. Extra job and economic development efforts should be targeted to those areas, such as South Los Angeles, where job opportunities are limited and many residents face barriers to employment. Such efforts would decrease the risk of homelessness in South LA and thereby reduce the flow of extremely poor people to Skid Row.

For example, the One-Stop Centers funded by the Workforce Investment Act could increase coordination with homeless services providers, other job development programs, and government agencies serving homeless clients (especially Access Centers funded by LAHSA). And instead of offering homeless people jobs that do not pay a living wage, and hence reinforcing episodic homelessness, WIBs and other agencies involved in job development should set a goal of living-wage employment within a reasonable period of time.

Even mentally disabled homeless residents can avoid homelessness if they receive effective services. In a County’s program for homeless Skid Row families in which a parent has mental health problems, 31 percent of parents found employment, with the point-in-time employment rate increasing from 10 percent to 19 percent over a 16-month period. Earned income in April 2006 averaged $954 for those who worked. This type of program, for single people as well as parents, would increase employment rates and earnings of homeless people.

Even so, many homeless people may experience difficulties finding employment on a regular basis. The end of day labor agencies in Skid Row means that those who are unable to hold a full-time position face difficulties in securing temporary or part-time work. One solution is to create a short-term, high-tolerance day labor exchange program that insures basic housing and services in exchange for work, as a way to transition to more stable living and employment arrangements.

2 Prevent homelessness through public assistance and affordable housing.

Make sure that public assistance is enough to allow recipients to afford a roof over their heads and encourages employment. Expand affordable housing preservation and development. And save county assistance dollars by helping the homeless entitled to federal Social Security benefits and veterans’ disability payments to obtain them.

General Relief, the last-resort L.A. County program for unemployed and disabled people, amounts to $221 a month, the same as it was 25 years ago. This grant level needs to be increased significantly. Similarly, CalWORKS payment levels have lagged over time and do not insure that recipients can afford even basic housing, thus increasing the need for increased individual support and more aggressive eviction-prevention assistance programs.

Without education and training, many welfare recipients are unable to become self-sufficient because of limits on their ability to gain living-wage jobs. Rather than emphasize a work-first
strategy, education and training opportunities should be enhanced. For example, CalWORKS recipients could be encouraged to use their community service period (after their welfare to work period) to obtain more training and education necessary for recipients to achieve employment goals. And all GR and CalWORKs workfare participants should be covered by living-wage ordinances, so that their work effort allows them to accumulate enough resources to become self-sufficient.

For homeless people with physical or mental disabilities that restrict their ability to work, extra effort is needed to transition those who are eligible to Social Security benefits, particularly Supplemental Security Insurance (SSI). And efforts to secure SSI benefits for homeless hospital patients and mentally disabled jail inmates scheduled for release could be stepped up.

Some affordable housing units can be provided via affordable housing programs already in place, but not nearly enough is anticipated; according to the Bring Los Angeles Home report, the shortfall is over 50,000 units. Therefore policymakers need to keep people in their current housing by strengthening existing programs such as rent stabilization, enforcing condominium conversion laws, and responding creatively to provide additional affordable housing. Such responses could include, for example, density bonus and inclusionary zoning programs; “no net loss” policies associated with conversion or redevelopment projects to maintain the stock of housing affordable to very low income people; the master leasing of private apartment blocks; purchase of remaining for-profit single room occupancy hotels; and where feasible, conversion of short-term emergency shelter facilities into permanent supportive housing.

Other options are a dedicated homeless housing trust fund and a land trust model for Skid Row. A Skid Row land trust would allow communities and residents across the region to contribute to solving the problem, and also ensure that there is an appropriate balance between permanent affordable housing and more upscale residential and business/industrial uses. A dedicated homeless housing trust fund for the region should be funded by every community in the region, thus ensuring that currently non-contributing communities sharing in devising solutions to the regional dilemma of homelessness. The trust could include mechanisms to insure long-term affordability of the housing stock, and thus prevent wholesale displacement of low-income households as gentrification hits many parts of the region, especially older inner-suburban areas accessible to employment opportunities.

3 Build supportive housing.

Although in some communities additional shelter beds may still be needed, we need to move beyond the shelter mentality and provide affordable housing and services for the homeless. This would be a relative bargain compared with the cost of warehousing people in jails, hospitals and emergency shelters.

Supportive housing, providing an array of necessary services as well as accommodation, is absolutely vital in transitioning people out of homelessness. Added shelter capacity in some communities may be required, especially for certain subpopulations. But ultimately, only by moving people rapidly into stable living arrangements, where they are not constantly under threat of displacement or worrying about untreated health problems or other personal difficulties, can they can begin to rebuild their lives.

Because of the high rates of mental disability, substance abuse, and health problems among the homeless, providing individualized care is a relatively expensive and time-consuming process.
But in Los Angeles a night in supportive housing costs approximately $30, compared with $37 in a shelter, $64 in jail, $85 in prison, $607 in a mental hospital, and $1,474 in a general hospital. Supportive housing is a necessary and cost-effective way to end homelessness. Furthermore, it reduces the burden placed on other public services by neglected homeless people. Good examples of supportive housing already exist in the region and around the country. They should be scaled-up and expanded to reach more people in need.

For example, in New York, the average publicly-funded service costs associated with a homeless mentally-disabled people placed in supportive housing ($40,451 per year) declined by over $16,000 (or 40 percent) because of reduced use of shelters, medical/mental health services, and the criminal justice system. Operating savings funded 95 percent of the cost of building, operating, and providing services in basic supportive housing, and 90 percent of community residence housing (involving more intensive care) for homeless people.

Such service cost reductions are not the full story, however. They are supplemented by other positive benefits of this housing/service delivery model. These include increased quality of life for formerly homeless people, enhanced neighborhood amenities for residents and business now that the homeless are housed.

4 Prevent the influx of homeless people onto the streets of Skid Row.

Skid Row has crucial shelter and service resources, but they are overburdened, leaving many homeless to fend for themselves on the streets. Other municipalities should scrap zoning restrictions that make it possible for some neighborhoods to keep out low-income housing and essential public services, and begin instead to provide the necessary shelter and services closer to home.

If nobody is born in Skid Row, and few people live there prior to becoming homeless, why do people end up there? The fact is that Skid Row is created elsewhere, in places throughout the metropolis where people’s lives take a radical turn for the worse, because they have nowhere else to turn for assistance. Although we lack perfect information of population dynamics, the flow of people into Skid Row is clearly a function of shelter/service availability – or lack thereof – in their communities of residence. Communities with the largest mismatch between demand for shelter/service and supply include Skid Row-adjacent districts (particularly South Los Angeles) which are themselves beset by concentrated poverty, lack of employment opportunities, and a dwindling stock of affordable housing. In order to stop the migratory flow of people into Skid Row, we must ensure an appropriate distribution of shelter, service, housing, and employment opportunities in communities throughout Los Angeles.

This will mean confronting the pervasive NIMBYism that characterizes communities and jurisdictions across the region. Combatting NIMBYism will require a proactive education campaign designed to help people understand that swift, intense efforts can prevent homelessness from ever happening, expedite successful exits from homelessness, and help those at-risk to remain in their own communities. In the City of LA, neighborhood councils could play a proactive role. Laws and regulations preventing communities from refusing to site supportive services and housing are also necessary. In this regard, it makes sense to support a law on the lines of SB 1322, introduced in 2006 by state Sen. Gilbert Cedillo, which would have required cities to include emergency shelters and special-needs facilities in their general plans. Homeless people discharged from hospitals and jail should not have to travel to Skid Row in search of a cot. They should be able to find social services, housing and health clinics in their own communities.
Take political and social responsibility.

Be willing to spend the political capital necessary to end homelessness. Long-established divisions of political authority can no longer be used as an excuse for inaction. The mayor and City Council of L.A. and the county supervisors must to solve the problem by working together. And Southland cities should stand up to NIMBYism.

Residents and voters must demand an end to homelessness. A better quality of life is possible for those who live on Skid Row; so is a healthy, safe and clean downtown. Both City and County – regardless of their formal roles, traditional antipathies, personal animosities – have the capacity to act, and they should do so. Together, these entities created the Los Angeles Homeless Services Authority (LAHSA), but hobbled it so that it has little capacity for research, planning, or evaluation. LAHSA – despite its historical weakness – is the only current institution that brings the County and cities together around a legal mandate to address homelessness. It could be allowed the leadership role, with dedicated resources and the genuine authority needed to tackle the problem. But its agenda and actions must be shaped not only by the usual suspects (including the business community, politicians and bureaucrats, police, and service providers), but also by homeless and formerly homeless people, those at risk of displacement and loss of shelter, and communities whose residents are at highest risk of homelessness.

Lastly, both the City – the Mayor, the city council – and the County Board of Supervisors should call on all cities in the county to take a fair share of responsibility for ending homelessness, particularly the majority of cities that rarely talk about it, preferring instead a conversation on how to keep homeless people out.76

We Can Afford to End Homelessness

Although extremely poor people are at highest risk of losing their housing, homelessness is a fate that befalls people from many communities and socio-demographic groups. Over the past two decades, a large number of southern Californians have been threatened by or experienced homelessness. Yet in 2005, the City of Los Angeles spent less than $1 per capita in locally-generated support to address homelessness (compared to $3 in Chicago, $8 in Boston, and $13 in Seattle).77 In L.A. County overall, local jurisdictions using local, state, and federal funds as well as private sources currently spend about $600 million annually. This compares to the estimated actual annual cost of sheltering and sustaining every homeless person in Los Angeles County, which would be approximately $1.5 billion.78 A large homeless population itself has a very high price tag. We pay that price every day in the form of emergency hospitalizations, jail and prison stays, and other public service costs. When homeless people live in supportive housing, however, their use of emergency shelters and hospitals drops, and their involvement in the criminal justice system declines, all of which results in savings.

New York City spends $1.7 billion each year on services and housing for its (much smaller) homeless population. This is driven in part by New York state’s right-to-shelter law, but also by the realization that not providing supportive housing and services to homeless people is ultimately more expensive. Rapid construction of affordable and supportive housing in New York City has reduced the homeless population to such an extent that the city’s largest shelter, with 1,000 beds, will be closed in June.

It is time for Los Angeles to take action. It has untapped resources, including the enormous real estate wealth created by downtown development. Indeed, reducing visible homelessness
in Skid Row and creating a fair-share distribution of services would actually further augment downtown’s wealth creation potential. Financial resources should also come from other parts of the region where some of the wealth generated by urban development – much of it grounded in public infrastructure investments – could be devoted to addressing the problems of Skid Row and homelessness in southern California.

The causes of homelessness are not mysterious, and experiences in other U.S. cities prove that our five-point plan would go a long way to ending homelessness in L.A. Any great city-region that has ‘come of age’ has built the institutional capacity to help poor and homeless people. This is something that Los Angeles has yet to accomplish, but must now discover how to do.

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References


3. Ibid., p. 5.

4. Ibid., p. 8.


22. Data from March Current Population Survey, analysis provided by Manuel Pastor, Jr.
23. Use of the 15% of poverty measure is now routine in California where the high cost of living leads to higher average wages renders the poverty rate itself less illuminating. See Pascale Joassart-Marcelli, Jennifer Wolch, Alejandro Alonso, and Nathan Sessoms. “Spatial Segregation of the Poor in Southern California: A Multidimensional Analysis.” Urban Geography. 26: 587-609.


35. The Los Angeles Homeless Services Authority’s 2005 homeless count identified 3,668 homeless persons in census tracts 2062, 2063, and 2073. Fifty-four percent were sheltered, 77 percent were men. It should be noted that the sheltered population might have been under-counted. Skid Row had about 3,300 shelter beds in 2005 but the count reported only 1,904 individuals in shelter beds. It is doubtful that 40% of the beds on Skid Row were unoccupied at the time of the count, as indicated by count data.

36. During the 12-month period of September 2005 through August 2006, the Los Angeles Homeless Services Authority funded two emergency shelter programs within Skid Row: SRO Housing’s facility at 404 East Fifth Street and Union Rescue Mission’s EIMAGO facility at 545 South San Pedro Street. These two programs admitted 1,030 individuals during this twelve-month period. Eighty-one percent of the individuals admitted to LAHSA’s two emergency shelter programs in Skid Row in 2005-2006 were men. Similarly, 81 percent of the homeless individuals in Skid Row whose gender was identified in the 2005 homeless count were men.

37. Age data is from individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006. Four percent of the individuals admitted to these programs were 18 to 23 years of age and 43 percent were 24 to 44 years of age.


39. Information about ethnicity is based on comparing individuals who were admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006 and identified with a single ethnicity to the ethnic distribution of Los Angeles County residents reported in the Census 2000 5% Public Use Microdata Sample. Among shelter admissions: 69% were African American, 20% were Latino, 8% were European American, 1% were Native American or Alaskan Native, and 2% were Asian. Among Los Angeles County residents: 10% were African American, 46% were Latino, 32% were European American, 0.3% were Native American or Alaskan Native, and 12% were Asian.


42. Employment information is from individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.


44. Income data is from individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.


46. Thirty-one percent report less than a high school diploma (vs. 26 percent for Los Angeles County), 39 percent report completing twelfth grade or obtaining a GED (vs. 22 percent for LA), and 30 percent report some level of exposure to college (vs. 53 percent for LA). Data about educational attainment is from individuals admitted to LAHSA’s two emergency shelter Skid Row programs in 2005-2006. Information for Los Angeles County is from the American Community Survey, 2005, for residents 25 years and over.

47. Information about causes of homelessness is from responses provided by individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.

48. This portrait of the primary reasons for homelessness in Skid Row is drawn from self-report data from LAHSA’s two Skid Row emergency shelter programs, and in some aspects it differs from the picture painted by the 2005 Homeless Count’s self-report survey of 3,187 homeless people. In particular, the Count found a higher share (21 percent) of respondents indicating that alcohol or drug use was a primary cause of their homelessness, and somewhat more (24 percent) of respondents indicated the loss of their job was the primary cause of their homelessness.

49. Booth Brenda M., Sullivan, Koegel, and Burnam, “Vulnerability Factors for Homelessness Associated with Substance Dependence in a Community Sample of Homeless Adults,” American Journal of Drug and Alcohol Abuse, August, 2002. Data for this study was collected in 1990 and 1991, but anecdotal evidence suggests that the incidence of substance abuse has not declined in the intervening years.

50. Information about disabilities is from responses provided by individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.

51. Cousineau, Michael R., Nocella, Cross, and Jefferson, Neglect on the Streets: The Health and Mental Health Status and Access to Care for the Homeless Adults and Children in Central Los Angeles University of Southern California, 2003. Based on data from multiple other sources, authors of this report estimate that 25% to 33% of homeless Skid Row residents are mentally ill. Among individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006, 26 percent reported that they had a mental disability. The 2000 Census reported that 3% of Los Angeles County’s total population had a mental disability.

52. However it should be noted that SP4A appears to have had significant data collection problems (see Richard Berk, Brian Krieger, and Donal Ylvisaker, “Counting the Homeless in Los Angeles County,” Los Angeles: UCLA Department of Statistics, 2005).

53. These data are derived from the Course-of-Homelessness study. Details on the sampling methods can be found at Housing is Greer Sullivan, Audrey Burnam, and Paul Koegel, 2000. “Pathways to Homelessness among the Mentally Ill,” Social Psychiatry and Psychiatric Epidemiology, 35:444-450.
54. Data about duration of homelessness is from responses provided by individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.


56. The percent of homeless residents as well as of the overall population countywide that are veterans is taken from the 2000 Census. Countywide, 9 percent of the adult population is veterans. Economic Roundtable, Homeless in LA, p. 36, Los Angeles, CA: Economic Roundtable, 2004. Information about the percent of Skid Row residents who are veterans is from responses provided by individuals admitted to LAHSA’s two Skid Row emergency shelter programs in 2005-2006.

57. The Los Angeles County Sheriff’s Department estimates that over 12,000 people are released from county jail each year only to enter homelessness. In addition, one-in-five of the individuals on parole in Los Angeles County are homeless. Economic Roundtable, Homeless in LA, p. 105, Los Angeles, CA: Economic Roundtable, 2004.


60. The three hospitals are Los Angeles County USC Medical Center, Gateways Hospital And Mental Health Center, and California Hospital Medical Center – Los Angeles. Data is from the California Office of Statewide Health Planning and Development. It is patient discharge data for January through December 2004. The 1,079 records of homeless patients in this data set are for hospital admissions of individuals who had no residence. Individuals with multiple hospital admissions during the year were counted multiple times.

61. Motion by Member Jan Perry and President Eric Garcetti, November 3, 2006.

62. Captain Andy Smith, LAPD’s point person in dealing with homeless on Skid Row, has overseen counts of empty beds as a “basis for LAPD’s argument that people on the streets are ‘shelter resistant’,” Anat Rubin, “Critics Dispute LAPD’s Assessment of Shelter,” Daily Journal, October 19, 2006. An empirical assessment of beds actually available to homeless people in Skid Row reported that there were a maximum of 15 vacant and available beds each day during the week following Captain Smith’s assessment. Gary L. Blasi, Shelter Availability in Los Angeles Skid Row and the Enforcement of L.A.M.C. Section 41.18(d), available at http://www.law.ucla.edu/docs/SHelter%20AvailabilitY%20LA-1113.pdf

63. Both class and race are implicated. For example, homeless African Americans who sit or sleep on a sidewalk are arrested. The same ordinance is not applied to people, very few of whom are African American, who have $5000 to spend for a videogame and occupy sidewalks for days, awaiting the release of Sony’s PlayStation III.

64. The Union Rescue Mission was founded in 1881. A year later, a headline in the Los Angeles Times decreed “An Influx of Vagrants,” (September 30, 1882, p. 4).


72. This evaluation of Los Angeles County’s Interagency Homeless Families Pilot Project was conducted by Daniel Chandler, Joan Meisel and Pat Jordan. Findings are reported in, Helping Homeless Families in Los Angeles: An Evaluation of the Homeless CallWORKS Families Project, California Institute for Mental Health, 2006, p. iii.


